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TITISH EMBASSY WASHINGTON

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by fax

14 January 1997

Jonathan Stephens Esq NIO(L)

British Embassy Washington

9100 Massachuacus Ave. N.W.

Washington D.C. 20008-5500

Telephone: (202) 588 6532 Faculturibe: (202) 588 7859

Dear Jone Man.

## US/NORTHERN IRELAND

- 1. I attach the text of the statement which the White House put out in President Clinton's name yesterday, calling on the IRA to restore its cease-fire and urging everyone to "re-double their efforts" to achieve a settlement. This is the statement which the White House warned us was coming (Washington telno 24), and was cleared with us in advance. You will see that it includes strong language ("deeply outraged") about the ending of the IRA's cease-fire, and a clear invitation to the Loyalists to maintain theirs.
- Underlying this statement, and the other expressions of concern which we have been picking up from the Hill and other Irish-Americans, is an anxiety that we may be close to an outbreak of full hostilities out between the IRA and the Loyalists. The NIO policy papers which we have seen appear to concentrate on how best to mothball the process, on the grounds that there isn't anything else to do with the Talks this side of the General Election. We of course see the logic of this approach. But people here worry that agreed mothballing could be extremely difficult to obtain; and that even with agreement there would be a vacuum which could easily be filled by a resumption of wholesale violence - the moreso if the Talks in fact ended in recrimination instead.
- As you know, the Loyalists are in regular touch with contacts in Washington. They have left people with three principal causes for concern:
- (a) If there is no Talks process from which the Loyalist parties can be ejected if they break their cease-fire, they lose an important reason for sustaining it. (They see, a big difference between being inside a process, from which you can only be ejected if that is what the parties and the two Governments want, and having to start from scratch, on the same basis as the IRA, should the current process end and a new one have to take its place sometime in the future.)

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- (b) David Ervine and his colleagues have consistently argued that the existence of a credible peace process was his strongest card in persuading the Loyalists not to go back to violence. The point was not whether the IRA set off bombs in Northern Ireland as well as in mainland Britain - for Unionists/Loyalists, a bomb was a bomb in whatever part of the United Kingdom it exploded. It was that people could be convinced to hold off as long as they believed that doing so might actually lead to a settlement which delivered them of the IRA for good. If it now became clear that there was no process which held out such a prospect, restraining the hot-heads would become infinitely more difficult.
- (c) The Loyalists realised that, at present, they occupied the moral high ground, and that going back to violence, as the IRA wanted them to, would cause them to forfeit it; and would once again allow the IRA/Sinn Pein to pose as the defenders of a besieged Catholic minority. But these disadvantages would not prove enough for the Loyalists to continue to hold their fire if the arguments at (a) and (b) above were no longer valid.

## COMMENT

Possibly because some of them have taken (in their terms) political risks in backing Sinn Fein, only to see their faith misplaced, our clients here will be reluctant to conclude that an inclusive peace process, with cease-fires all round, is no longer attainable. Paradoxically, this has won the Loyalists many fans in the US - they are described in off-the-record NSC briefings as "the new statesmen" of Northern Ireland; and there is again talk of issuing confidence-boosting invitations to Loyalist leaders to visit the US. Inevitably, this concern heightens sensitivity here to any approach, or development, which appears to weaken the prospect of sustaining the Loyalist cease-fire, however imperfect it may now be.

Yours ever, Rein.

Peter Westmacott

cc: PS/Sir P Mayhew, NIO(L) PS/Michael Ancram, NIO(L) PS/Sir D Fell, NIO(L) Mr Thomas, NIO(L) Mr Holmes, NO 10 Mr Lamont, RID, PCO Mr Priestley, NAD, FCO Mr Clarke, Dublin

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